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FILED

APRIL 19, 2007

**NEW JERSEY STATE BOARD
OF MEDICAL EXAMINERS**

STATE OF NEW JERSEY
DEPARTMENT OF LAW AND PUBLIC
SAFETY DIVISION OF CONSUMER
AFFAIRS STATE BOARD OF MEDICAL
EXAMINERS OAL Docket No. BDSME
05696-2003N

IN THE MATTER OF THE SUSPENSION OR
REVOCATION OF THE LICENSE OF

**KRISTAPPA SANGAVARAM, M.D.
LICENSE NO. MA 55898**

TO PRACTICE MEDICINE AND SURGERY IN
THE STATE OF NEW JERSEY

Administrative Action

CONSENT ORDER

This matter was opened to the New Jersey State Board of Medical Examiners (hereinafter "the Board") upon receipt of complaints against Kristappa Sangavaram M.D. ("Respondent") that Respondent was charging excessive fees for anesthesia and for wrongful discharge of a pain management patient.

The Board reviewed medical and billing records for Respondent's patients J.R. and J.F.B. who received medical services in 1995 and W.F. who received medical services in 1997 to 1999, and the testimony of Respondent before a Committee of the Board on July 3, 1996 and January 24, 2001. Reports of Investigation revealed that Respondent owned one-third (1/3) membership interest in Wyckoff Surgical Center,

CERTIFIED TRUE COPY

LLC, 461 Goffle Road, Wyckoff, New Jersey, an unlicensed ambulatory surgical center, and that he had served as Medical Director of Wyckoff Surgical Center for a period of time. Reports of Investigation further revealed that Respondent was the Medical Director for a certain period of time at Saddle Brook Surgical Center and Advanced Center for Pain Management.

On March 4, 2002, the Attorney General filed a two count Complaint against Respondent that alleged that Respondent engaged in conduct that violated certain statutes and regulations governing the practice of medicine in the State of New Jersey. After an Answer to the Complaint was filed by Respondent's attorney denying the allegations in the Complaint, the contested case was transmitted to the Office of Administrative Law. In February 2004, the two count complaint was amended to add two additional counts. In October 2004, the four count Complaint was further amended to add two additional counts when information contained in Respondent's file for patient W.F. revealed Respondent's use of regional blocks in 1997 on a patient using Coumadin. The Second Amended Complaint alleged that Respondent engaged in conduct that violated N.J.S.A. 45:1-21(b), in that Respondent charged an excessive fee constituting "the use or employment of dishonesty, fraud, deception, misrepresentation, false promise or false pretense;" N.J.S.A. 45:1-21(c) in that Respondent engaged in gross negligence by use of regional blocks in 1997 on a patient using Coumadin constituting "gross malpractice or gross incompetence;" N.J.S.A. 45:1-21(e) that Respondent has engaged in professional or occupational misconduct as may be determined by the

Board; and N.J.S.A. 45:1-21(h) that Respondent has violated or failed to comply with the provisions of any act or regulation administered by the Board. It was further alleged that Respondent further violated regulations governing the practice of medicine in the State of New Jersey including N.J.A.C. 13:35-6.11(b) charging an excessive fee; N.J.A.C. 13:35-4A.4, failing to have written policies and procedures for the administration or monitoring of anesthesia services in an office; and N.J.A.C. 13:35-6.16 and 6.17, failing to disclose his financial relationship to the entity providing the designated health service, constituting an act of self referral. Respondent filed an Amended Answer denying the allegations in the Second Amended Complaint.

Hearing before the Hon. Edith Klinger, ALJ was conducted for twenty-nine days from July 20, 2004 through September 19, 2006 for testimony of witnesses, motions and evidentiary issues. Prior to the Judge's decision, Respondent and Complainant entered into discussions resulting in a complete resolution of the action by a settlement as embodied in this Consent Order.

Respondent Kristappa Sangavaram, M.D., hereby pleads no contest to all the allegations of the Second Amended Complaint, and the Board having determined that the within disposition is adequately protective of the public, health, safety and welfare, for good cause shown,

IT IS on this 19th day of ^{April}~~March~~, 2007,

ORDERED:

1. Respondent Kristappa Sangavaram, M.D.'s license to practice medicine shall be suspended for a period of

three (3) years. The first six months of the suspension shall be active, the remainder stayed to be served as a period of probation. No credit for the suspension period shall be given for any period of time during which Respondent engages in medical practice in any other jurisdiction or state. The period of active suspension shall commence on May 15, 2007.

2. During the period of active suspension, Respondent shall surrender his federal Drug Enforcement registration and his State Controlled Drug Registration for the State of New Jersey and shall make prompt arrangements with all agencies for the lawful disposal of all Controlled Drugs in his possession or under his control. Respondent shall secure in a locked place for safe keeping all prescription pads and all office letterhead bearing his name and non-CDS medication. Respondent shall comply with the Directives for Disciplined Licensees and shall not receive any professional fees for the treatment of patients during his active suspension.
3. Within fifteen (15) days of the end of the period of active suspension, Respondent shall meet with the Medical Director and/or the Medical Education Director of the Board to review with them and seek their approval of his monitoring plan during probation. At this meeting, Respondent will submit a signed agreement with United Review Services ("URS"), acknowledging their monitoring responsibilities. This agreement shall include a release that the monitor shall not have or incur any liability to Respondent as a result of the good faith performance of its services.
4. During the period of probation, United Review Services ("URS") shall monitor Respondent's practice, which service shall be paid by Respondent.
5. Monitoring, as required in paragraph 4 above, shall consist of:
 - A. URS will make an on-site review of Respondent's practice every other week i.e. 26 times per year.
 - B. During each visit, URS's monitor will randomly select and review up to six patient files, specifically:

1. record keeping and documentation review, including appropriateness of record keeping;
 2. review of patient records for history and physical progress reports, operations reports, and other operating documentation as deemed appropriate for understanding patient care and procedures;
 3. appropriateness of billing for office visits and procedures including coding and amount of the fee charged for each procedure.
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6. As a result of the tasks outlined in paragraph 5 above, the monitor shall prepare reports to the Board and Respondent with comments on any deficiencies and/or observations with regard to the above. Said reports are to be prepared on a three month cycle with each report submitted within 30 days after each three month cycle. Nevertheless, the monitor shall make immediate report to the Board of any individual matter that is believed to present an imminent peril to the patient or to the public, health, safety or welfare.
 7. Respondent agrees to fully comply with whatever recommendations URS may make with regard to remediation within one month of the Board's receipt of the monitor's report, excepting these matters signaled in paragraph 6 that require emergency address.
 8. During the period of probation, the Board shall impose upon Respondent no limitation as to ownership of a medical practice or place or manner of employment.
 9. During the period of probation, Respondent will submit to the Medical Director on a bimonthly basis five charts and bills for evaluation of his quality of care and billing practice.
 10. During the period of probation, Respondent may make application to the Board to reduce the period of probation or modify the monitoring requirements and the Board may exercise its discretion in determining whether any such application should be granted.
 11. Respondent is assessed a civil penalty in the amount of \$40,000 for the offenses set forth in the Second Amended Complaint, as pursuant to N.J.S.A. 45:1-25. Said penalty shall be submitted by certified check or

money order made payable to the State of New Jersey and forwarded to the Board of Medical Examiners c/o William V. Roeder, Executive Director, State Board of Medical Examiners, 140 East Front Street, P.O. Box 183, Trenton, New Jersey 08625.

12. Respondent is assessed costs in the amount of \$210,000 including Complainant's investigative costs, expert fees, costs of hearing (including transcripts) and all attorney fees incurred by the State, as provided by N.J.S.A. 45:1-25 (d). Said costs shall be submitted by certified check or money order made payable to the State of New Jersey and forwarded to the Board of Medical Examiners c/o William V. Roeder, Executive Director, State Board of Medical Examiners, 140 East Front Street, P.O. Box 183, Trenton, New Jersey 08625.
13. Respondent has requested, and the Board has agreed, to permit payment to be made in three installments. Respondent shall pay the initial sum of \$83,334. within ten(10) days of the entry of this Order and shall be permitted to pay the balance of the debt regarding fees and costs in two (2) annual installments to be paid each year on the anniversary date of the initial payment.
14. Respondent shall pay the two installments with interest at the judgment rate as prescribed under R. 4:42-22.
15. For any payment ordered in paragraphs 10, 11 and 12 above which has not been paid in full within ten (10) days of the entry of this Order, a Certificate of Debt shall be filed pursuant to N.J.S.A. 45:1-24.
16. If Respondent shall fail to make any timely payment required by this Consent Order, the Board may, in its sole discretion, accelerate the entire amount then outstanding and demand immediate payment of such amount. The failure of the Board to so accelerate the amount due or to so demand payment shall not constitute a waiver or release of any claim, remedy or right that the Board may have under this Consent Order.
17. Upon satisfaction of the full amount of costs and penalty, the Board will file a Warrant of Satisfaction.
18. Respondent hereby withdraws his Answers to the Second Amended Complaint and pleads "no contest" to the allegations stated therein.
19. This Consent Order shall be a full final disposition of the Second Amended Complaint. The Board shall retain

jurisdiction to enforce the terms of this Order.

20. This Order shall be a full, complete and final resolution of the matter now pending before the Office of Administrative Law entitled In re Kristappa Sangavaram, M. D. (Docket Bo. BDSME 05696-03N), and the parties hereby consent to the Office of Administrative Law closing the case and returning the matter to the Board.
21. The entry of this Order shall not limit the authority of the Attorney General or of any other person to initiate any further action permitted by law, whether administrative, civil court or criminal, in any court or other forum of competent jurisdiction in connection with any matters coming within that jurisdiction. Respondent does not waive and reserves any and all rights and defenses that he may have in law or in equity with regard to any action or claims that may be brought against him.
22. It is intended by the parties and the Board that this Order shall resolve all administrative and license issues with Respondent, which were specifically alleged as violations by the Attorney General in the present Administrative Complaint as twice amended, with regard to Respondent's responsibility to the State Board of Medical Examiners, all and solely in connection with Professional Board statutes and regulations.

23. Respondent shall fully comply with the Directives for Disciplined Licensees attached hereto as Exhibit A and made a part hereof.

NEW JERSEY STATE BOARD OF MEDICAL EXAMINERS

By Sindy Paul, MD
Sindy Paul, M.D. President

I have read the within Order. I understand the Order and I agree to be bound by its terms and conditions. I hereby consent to the entry of this Order

Kristappa Sangavaram, M.D.

Dated

We hereby consent to the form and entry of this Order.

Podvey, Meanor, Catenacci, Hildner, Coccoziello & Chattman

By: J. Barry Coccoziello, Esq. 3/27/07
Dated

Stuart Rabner
Attorney General of New Jersey

By: Kathy Stroh Mendoza 3/29/07
Deputy Attorney General Dated

**DIRECTIVES APPLICABLE TO ANY MEDICAL BOARD LICENSEE
WHO IS DISCIPLINED OR WHOSE SURRENDER OF LICENSURE
HAS BEEN ACCEPTED¹**

All licensees who are the subject of a disciplinary order of the Board are required to provide the information required on the Confidential Information page enclosed with these directives. The information provided will be maintained separately and will not be part of the public document filed with the Board. Failure to provide the information required may result in further disciplinary action for failing to cooperate with the Board, as required by N.J.A.C. 13:45C-1 *et seq.* Paragraphs 1 through 4 below shall apply when a license is suspended or revoked or permanently surrendered, with or without prejudice. Paragraph 5 applies to licensees who are the subject of an order which, while permitting continued practice, contains a probation or monitoring requirement.

1. Document Return and Agency Notification

The licensee shall promptly forward to the Board office at Post Office Box 183, 140 East Front Street, 2nd floor, Trenton, New Jersey 08625-0183, the original license, current biennial registration and, if applicable, the original CDS registration. In addition, if the licensee holds a Drug Enforcement Agency (DEA) registration, he or she shall promptly advise the DEA of the licensure action. (With respect to suspensions of a finite term, at the conclusion of the term, the licensee may contact the Board office for the return of the documents previously surrendered to the Board. In addition, at the conclusion of the term, the licensee should contact the DEA to advise of the resumption of practice and to ascertain the impact of that change upon his/her DEA registration.)

2. Practice Cessation

The licensee shall cease and desist from engaging in the practice of medicine in this State. This prohibition not only bars a licensee from rendering professional services, but also from providing an opinion as to professional practice or its application, or representing him/herself as being eligible to practice. (Although the licensee need not affirmatively advise patients or others of the revocation, suspension or surrender, the licensee must truthfully disclose his/her licensure status in response to inquiry.) The disciplined licensee is also prohibited from occupying, sharing or using office space in which another licensee provides health care services. The disciplined licensee may contract for, accept payment from another licensee for or rent at fair market value office premises and/or equipment. In no case may the disciplined licensee authorize, allow or condone the use of his/her provider number by any health care practice or any other licensee or health care provider. (In situations where the licensee has been suspended for less than one year, the licensee may accept payment from another professional who is using his/her office during the period that the licensee is suspended, for the payment of salaries for office staff employed at the time of the Board action.)

A licensee whose license has been revoked, suspended for one (1) year or more or permanently surrendered must remove signs and take affirmative action to stop advertisements by which his/her eligibility to practice is represented. The licensee must also take steps to remove his/her name from professional listings, telephone directories, professional stationery, or billings.

¹ **APPROVED BY THE BOARD ON MAY 10, 2000**

If the licensee's name is utilized in a group practice title, it shall be deleted. Prescription pads bearing the licensee's name shall be destroyed. A destruction report form obtained from the Office of Drug Control (973-504-6558) must be filed. If no other licensee is providing services at the location, all medications must be removed and returned to the manufacturer, if possible, destroyed or safeguarded. (In situations where a license has been suspended for less than one year, prescription pads and medications need not be destroyed but must be secured in a locked place for safekeeping.)

3. Practice Income Prohibitions/Divestiture of Equity Interest in Professional Service Corporations and Limited Liability Companies

A licensee shall not charge, receive or share in any fee for professional services rendered by him/herself or others while barred from engaging in the professional practice. The licensee may be compensated for the reasonable value of services lawfully rendered and disbursements incurred on a patient's behalf prior to the effective date of the Board action.

A licensee who is a shareholder in a professional service corporation organized to engage in the professional practice, whose license is revoked, surrendered or suspended for a term of one (1) year or more shall be deemed to be disqualified from the practice within the meaning of the Professional Service Corporation Act. (N.J.S.A. 14A:17-11). A disqualified licensee shall divest him/herself of all financial interest in the professional service corporation pursuant to N.J.S.A. 14A:17-13(c). A licensee who is a member of a limited liability company organized pursuant to N.J.S.A. 42:1-44, shall divest him/herself of all financial interest. Such divestiture shall occur within 90 days following the entry of the Order rendering the licensee disqualified to participate in the applicable form of ownership. Upon divestiture, a licensee shall forward to the Board a copy of documentation forwarded to the Secretary of State, Commercial Reporting Division, demonstrating that the interest has been terminated. If the licensee is the sole shareholder in a professional service corporation, the corporation must be dissolved within 90 days of the licensee's disqualification.

4. Medical Records

If, as a result of the Board's action, a practice is closed or transferred to another location, the licensee shall ensure that during the three (3) month period following the effective date of the disciplinary order, a message will be delivered to patients calling the former office premises, advising where records may be obtained. The message should inform patients of the names and telephone numbers of the licensee (or his/her attorney) assuming custody of the records. The same information shall also be disseminated by means of a notice to be published at least once per month for three (3) months in a newspaper of general circulation in the geographic vicinity in which the practice was conducted. At the end of the three month period, the licensee shall file with the Board the name and telephone number of the contact person who will have access to medical records of former patients. Any change in that individual or his/her telephone number shall be promptly reported to the Board. When a patient or his/her representative requests a copy of his/her medical record or asks that that record be forwarded to another health care provider, the licensee shall promptly provide the record without charge to the patient.

5. Probation/Monitoring Conditions

With respect to any licensee who is the subject of an Order imposing a probation or monitoring requirement or a stay of an active suspension, in whole or in part, which is conditioned upon compliance with a probation or monitoring requirement, the licensee shall fully cooperate with the Board and its designated representatives, including the Enforcement Bureau of the Division of Consumer Affairs, in ongoing monitoring of the licensee's status and practice. Such monitoring shall be at the expense of the disciplined practitioner.

(a) Monitoring of practice conditions may include, but is not limited to, inspection of the professional premises and equipment, and inspection and copying of patient records (confidentiality of patient identity shall be protected by the Board) to verify compliance with the Board Order and accepted standards of practice.

(b) Monitoring of status conditions for an impaired practitioner may include, but is not limited to, practitioner cooperation in providing releases permitting unrestricted access to records and other information to the extent permitted by law from any treatment facility, other treating practitioner, support group or other individual/facility involved in the education, treatment, monitoring or oversight of the practitioner, or maintained by a rehabilitation program for impaired practitioners. If bodily substance monitoring has been ordered, the practitioner shall fully cooperate by responding to a demand for breath, blood, urine or other sample in a timely manner and providing the designated sample.

NOTICE OF REPORTING PRACTICES OF BOARD **REGARDING DISCIPLINARY ACTIONS**

Pursuant to N.J.S.A. 52:14B-3(3), all orders of the New Jersey State Board of Medical Examiners are available for public inspection. Should any inquiry be made concerning the status of a licensee, the inquirer will be informed of the existence of the order and a copy will be provided if requested. All evidentiary hearings, proceedings on motions or other applications which are conducted as public hearings and the record, including the transcript and documents marked in evidence, are available for public inspection, upon request.

Pursuant to 45 CFR Subtitle A 60.8, the Board is obligated to report to the National Practitioners Data Bank any action relating to a physician which is based on reasons relating to professional competence or professional conduct: (1) Which revokes or suspends (or otherwise restricts) a license; (2) Which censures, reprimands or places on probation; (3) Under which a license is surrendered.

Pursuant to 45 CFR Section 61.7, the Board is obligated to report to the Healthcare Integrity and Protection (HIP) Data Bank, any formal or official actions, such as revocation or suspension of a license (and the length of any such suspension), reprimand, censure or probation or any other loss of license or the right to apply for, or renew, a license of the provider, supplier, or practitioner, whether by operation of law, voluntary surrender, non-renewability, or otherwise, or any other negative action or finding by such federal or State agency that is publicly available information.

Pursuant to N.J.S.A. 45:9-19.13, if the Board refuses to issue, suspends, revokes or otherwise places conditions on a license or permit, it is obligated to notify each licensed health care facility and health maintenance organization with which a licensee is affiliated and every other board licensee in this state with whom he or she is directly associated in private medical practice.

In accordance with an agreement with the Federation of State Medical Boards of the United States, a list of all disciplinary orders are provided to that organization on a monthly basis. Within the month following entry of an order, a summary of the order will appear on the public agenda for the next monthly Board meeting and is forwarded to those members of the public requesting a copy. In addition, the same summary will appear in the minutes of that Board meeting, which are also made available to those requesting a copy. Within the month following entry of an order, a summary of the order will appear in a Monthly Disciplinary Action Listing which is made available to those members of the public requesting a copy. On a periodic basis the Board disseminates to its licensees a newsletter which includes a brief description of all of the orders entered by the Board. From time to time, the Press Office of the Division of Consumer Affairs may issue releases including the summaries of the content of public orders.

Nothing herein is intended in any way to limit the Board, the Division or the Attorney General from disclosing any public document.